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SENATE FILE 293
BY MANN

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to computer matching and verification programs.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 293

1 Section 1. NEW SECTION. 22.13 COMPUTER MATCHING.

2 1. As used in this section, unless the context otherwise
3 requires:

4 a. "Front-end eligibility verification program" means the
5 certification of accuracy of information supplied by an
6 applicant for state financial assistance or state administered
7 federal financial assistance provided through a state or
8 federal grant, loan, or contract of insurance or guaranty by
9 matching such information against a computerized data base.

10 b. "Matching entity" means an agency of the state or its
11 political subdivisions which acts as a source agency for
12 matching programs or front-end eligibility verification
13 programs or performs matching programs.

14 c. "Matching program" means a computerized comparison of
15 two or more automated systems of records to identify in-
16 dividuals common to two or more of the systems of records or
17 unique to one of the systems of records, but the term does not
18 include matches done to produce a statistical record or
19 matches performed by an agency in which records or systems are
20 not disclosed to other agencies.

21 d. "Source agency" means an agency which discloses records
22 from a system of records to be used in a matching program or
23 front-end eligibility verification program.

24 2. A matching entity shall not terminate, deny, suspend,
25 or reduce any state administered federal financial assistance
26 or state financial assistance to an individual, whose records
27 are used in matching programs or front-end eligibility
28 verification programs, or take other adverse action against
29 that individual as a result of information produced by those
30 programs, until the matching entity has independently verified
31 that information. The independent verification may be from
32 third-party sources or the individual whose records are
33 matched.

34 The independent verification required by this subsection
35 shall relate to all of the following:

- 1 a. The amount of the asset or income involved.
- 2 b. Whether such individual actually has or had access to
- 3 the asset or income for the individual's own use.
- 4 c. The period or periods when the individual actually had
- 5 the asset or income.

6 3. A matching entity shall not deny, terminate, suspend,
 7 or reduce any state administered federal or state financial
 8 assistance to any individual described in subsection 2, or
 9 take other adverse action against the individual as a result
 10 of information produced by a matching program or a front-end
 11 eligibility verification program, until the matching entity
 12 has provided that individual an opportunity to refute the
 13 information produced by the program.

14 4. In all cases involving denial, reduction, suspension,
 15 or termination of state administered federal financial
 16 assistance or state financial assistance as a result of
 17 information produced by a computer matching program or front-
 18 end eligibility verification program, an individual shall be
 19 provided with notice of the findings of the matching entity
 20 made on the basis of verified information, of the adverse
 21 action to be taken, and information on the right to appear and
 22 any opportunity for a hearing.

23 5. This section does not apply to the extent that its
 24 application would result in otherwise available state admin-
 25 istered federal financial assistance not being available to
 26 the residents of this state.

27 EXPLANATION

28 This bill places restraints on the use of computer matching
 29 for determinations of eligibility for state administered
 30 federal financial assistance or state financial assistance.
 31 The bill prohibits adverse action regarding eligibility on the
 32 basis of a matching program until there is independent
 33 verification of the information and notice to the individual
 34 of the opportunity to refute the information.

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